

EXHIBIT 12

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Page 1

1 UNITED STATES DISTRICT COURT

2 FOR THE SOUTHERN DISTRICT OF NEW YORK

3 - - - - - - - - - - - - - - -x

4 SM KIDS, LLC :
5 Plaintiff :
6 v. : Civil Action No.
7 GOOGLE, LLC, et al. : 1:18-cv-02637-LGS
8 Defendants :
9 - - - - - - - - - - - - - - -x

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Monday, January 18, 2021

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19 REMOTE ZOOM AUDIO/VIDEO deposition of ROBERT
20 FRIEDMAN, beginning at 10:02 a.m., before
21 Christina S. Hotsko, RPR, CRR, when were present on
22 behalf of the respective parties:

<p style="text-align: right;">Page 30</p> <p>1 MR. MAGLIERY: Objection.</p> <p>2 THE WITNESS: Well, the first step was to</p> <p>3 share our plan with Steve, because he was going to</p> <p>4 be funding this himself.</p> <p>5 BY MR. SHAPIRO:</p> <p>6 Q. And then -- and then the plan would be</p> <p>7 shared with investors, platforms, and potential</p> <p>8 media partners?</p> <p>9 A. Yes.</p> <p>10 Q. And the idea was that one of those</p> <p>11 investors, platforms, or potential media partners</p> <p>12 could either buy the website or invest in the</p> <p>13 development of the website; is that fair?</p> <p>14 MR. MAGLIERY: Objection.</p> <p>15 THE WITNESS: The ongoing assumption was</p> <p>16 that we would produce and develop the content with</p> <p>17 whichever partner we did in the same way that most</p> <p>18 television is done.</p> <p>19 BY MR. SHAPIRO:</p> <p>20 Q. And that could also include selling the</p> <p>21 website?</p> <p>22 MR. MAGLIERY: Objection.</p>	<p style="text-align: right;">Page 32</p> <p>1 how much of that investment or how much of equity</p> <p>2 they would own, really, at this stage it was too</p> <p>3 early to decide. It's as if you were going in</p> <p>4 with a television series or a movie to a network.</p> <p>5 They may say, I'm willing to put up half or I'm</p> <p>6 willing to fund it all or a whole variant, if you</p> <p>7 will. So it really wasn't contemplated at this</p> <p>8 point.</p> <p>9 BY MR. SHAPIRO:</p> <p>10 Q. And was the development of the</p> <p>11 presentation to investors, platforms, and</p> <p>12 potential media partners for the purpose of</p> <p>13 attracting a party that would fund the development</p> <p>14 of the content for the new reskinned website?</p> <p>15 A. Yes.</p> <p>16 MR. MAGLIERY: Objection. Sorry.</p> <p>17 BY MR. SHAPIRO:</p> <p>18 Q. And who is Karen Salmansohn?</p> <p>19 A. Karen was the woman that Garchik and</p> <p>20 Allan had worked with early on on some of the</p> <p>21 development of this. And they decided -- and</p> <p>22 asked us if we would speak with her to see whether</p>
<p style="text-align: right;">Page 31</p> <p>1 THE WITNESS: It was not discussed in</p> <p>2 terms of selling the website. It was looking at a</p> <p>3 partner to fund it. What rights they would have</p> <p>4 as opposed to what rights we would have had not</p> <p>5 been discussed at that point until we had the</p> <p>6 discussions with them.</p> <p>7 BY MR. SHAPIRO:</p> <p>8 Q. If you look at the third sentence it</p> <p>9 says, "We have developed our go-forward strategy</p> <p>10 on what to include in the presentation to</p> <p>11 investors, platforms, and potential media partners</p> <p>12 who may also represent buyers."</p> <p>13 Do you see that?</p> <p>14 A. Yes.</p> <p>15 Q. Wasn't a sale of the website one of the</p> <p>16 options on the table?</p> <p>17 MR. MAGLIERY: Objection.</p> <p>18 THE WITNESS: I'm trying to understand,</p> <p>19 you know, your question.</p> <p>20 A buyer would still need someone to</p> <p>21 produce the content. So the ongoing assumption</p> <p>22 was that is that we would develop that. You know,</p>	<p style="text-align: right;">Page 33</p> <p>1 it made sense for her to continue in some form on</p> <p>2 the group that we put together to move forward.</p> <p>3 Q. And had you worked with Karen Salmansohn</p> <p>4 before?</p> <p>5 A. No.</p> <p>6 Q. And what did you decide with respect to</p> <p>7 whether or not you would work with Karen</p> <p>8 Salmansohn going forward?</p> <p>9 A. We thought that she had some interesting</p> <p>10 creative instincts. We thought that she could</p> <p>11 work with us on the go-forward. But there were</p> <p>12 business reasons why we decided not to go forward</p> <p>13 with her.</p> <p>14 Q. And what were those business reasons?</p> <p>15 A. Her role was to be a work-for-hire role</p> <p>16 to come up with some story, and I think her</p> <p>17 expectation was that her role would be greater</p> <p>18 than that, either as an equity partner or</p> <p>19 something else.</p> <p>20 Q. And this e-mail is dated April 2016.</p> <p>21 With -- in relation to this e-mail, when did your</p> <p>22 relationship with Mr. Garchik and Mr. Cohen in</p>

<p style="text-align: right;">Page 50</p> <p>1 to create other deliverables, but the deliverables 2 included a branding package, even in terms of the 3 newer deliverables. There were just different 4 elements within them.</p> <p>5 Q. Okay.</p> <p>6 A. This did not reflect necessarily the 7 content that we delivered, is what I'm trying to 8 say, in other words.</p> <p>9 Q. But one of the deliverables you provided 10 was a presentation that could be delivered to 11 potential investors?</p> <p>12 A. Oh, yes. Yes.</p> <p>13 Q. And one of the deliverables that you 14 provided was a demo website, correct?</p> <p>15 A. It wasn't necessarily a demo website. It 16 was content for the website.</p> <p>17 Q. Okay. And do you see that it refers to 18 the visual reskin of the website?</p> <p>19 A. Yes.</p> <p>20 Q. What does that mean?</p> <p>21 A. That means the stuff that was on the 22 website would be different stuff.</p>	<p style="text-align: right;">Page 52</p> <p>1 Q. Let me ask you to turn back to the first 2 page of Exhibit 103, or the first page of the 3 engagement agreement.</p> <p>4 A. Okay. Hold on.</p> <p>5 You're talking about 145, or are you 6 talking about 146?</p> <p>7 Q. 146.</p> <p>8 A. Yep, it's up.</p> <p>9 Q. Do you see in that first paragraph at the 10 bottom of the page it says that Bungalow would 11 receive a 25 percent interest in the property?</p> <p>12 A. Yes.</p> <p>13 Q. And the property is defined as the 14 Googles.com domain and then all of the related 15 URLs, character designs, websites, story lines, 16 trademarks, and other intellectual property 17 rights.</p> <p>18 Do you see that?</p> <p>19 A. Yes.</p> <p>20 Q. So you received a 25 percent interest in 21 the Googles intellectual property; is that 22 correct?</p>
<p style="text-align: right;">Page 51</p> <p>1 Q. And did Bungalow also design a new logo 2 for the website?</p> <p>3 A. Yes.</p> <p>4 Q. And did Bungalow change the architecture 5 of the website?</p> <p>6 MR. MAGLIERI: Objection.</p> <p>7 THE WITNESS: Could you clarify what you 8 mean by that?</p> <p>9 BY MR. SHAPIRO:</p> <p>10 Q. Well, it says, in the third bullet point, 11 "New website architecture."</p> <p>12 Do you see that?</p> <p>13 A. In terms of going from one place to 14 another, if that's what you're referring to, yes.</p> <p>15 How you navigate the website was obviously 16 different.</p> <p>17 Q. And at the bottom of the page it suggests 18 that the investor presentation and the content, 19 the initial content for the website, would be 20 completed by September of 2016.</p> <p>21 Do you see that?</p> <p>22 A. Uh-huh. Yes.</p>	<p style="text-align: right;">Page 53</p> <p>1 A. Yes.</p> <p>2 Q. And in effect, you became a co-owner of 3 that property, correct?</p> <p>4 MR. MAGLIERI: Objection.</p> <p>5 THE WITNESS: I wouldn't necessarily call 6 it a co-owner. I would get a 25 percent 7 distribution.</p> <p>8 BY MR. SHAPIRO:</p> <p>9 Q. Didn't you write an e-mail to your staff 10 describing Bungalow as a 25 percent co-owner?</p> <p>11 A. Yes, but that's just the language we use.</p> <p>12 It wasn't a legal representation of what ownership 13 means.</p> <p>14 Q. Well, you understood that you had a right 15 to 25 percent of the profits of this enterprise, 16 correct?</p> <p>17 A. After certain expenses that the owners 18 had spent, which is why it was a distribution.</p> <p>19 Q. And those expenses are described in 20 paragraph 4 on the next page, correct?</p> <p>21 MR. MAGLIERI: Objection.</p> <p>22 THE WITNESS: Yes.</p>

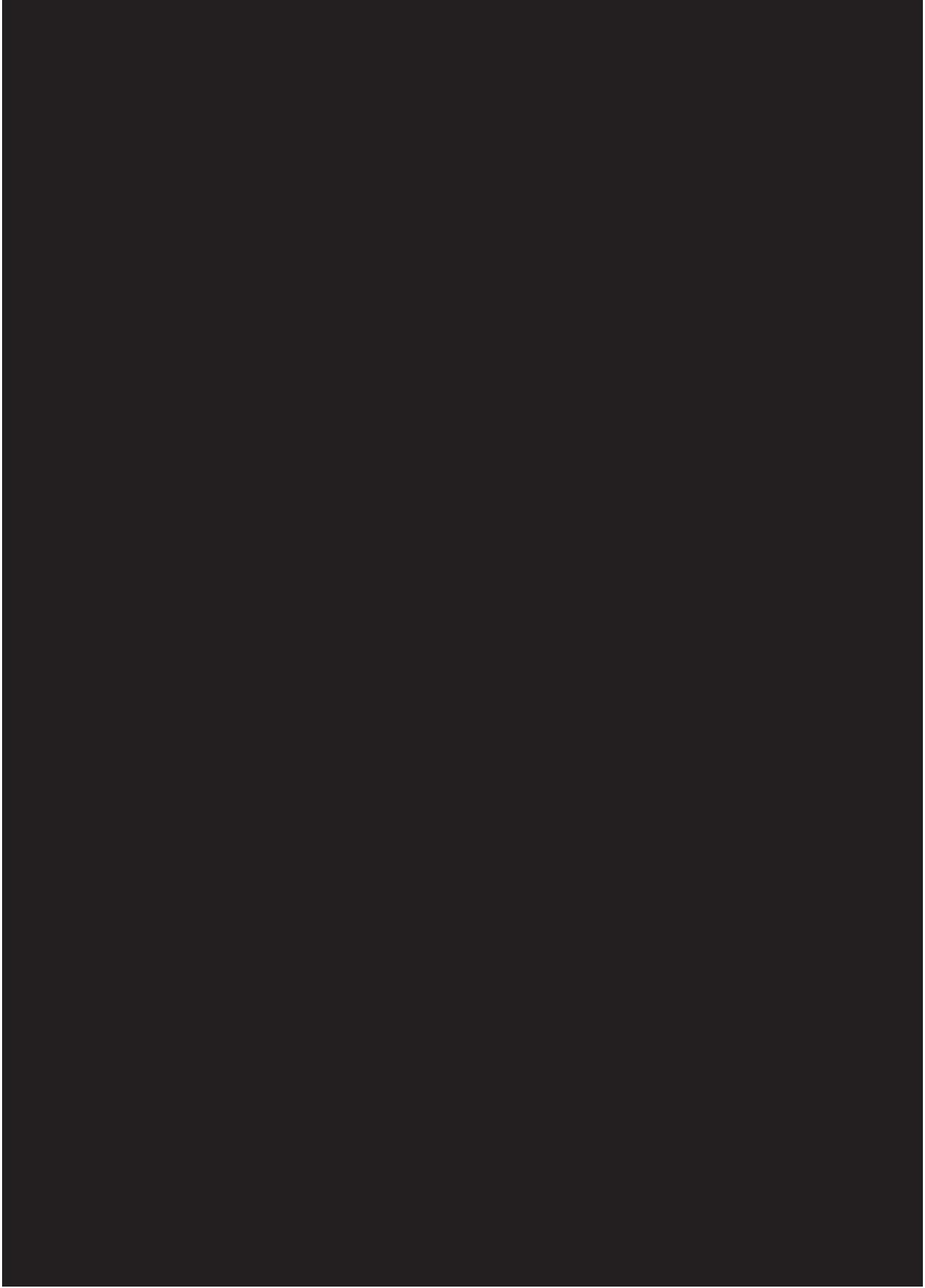
<p style="text-align: right;">Page 54</p> <p>1 BY MR. SHAPIRO:</p> <p>2 Q. So after the first \$1.25 million were 3 paid to SJM and Taral, as set forth in 4 subparagraph 4a, Bungalow was entitled to 5 25 percent of the profits of the business, 6 correct?</p> <p>7 A. Yes.</p> <p>8 Q. And did you understand that Taral also 9 owned 25 percent of the intellectual property?</p> <p>10 MR. MAGLIERI: Objection.</p> <p>11 THE WITNESS: My understanding was that 12 they owned 50 percent, and they were giving me 13 25 percent of the proceeds, the distribution 14 proceeds.</p> <p>15 BY MR. SHAPIRO:</p> <p>16 Q. And in that -- when you refer to "they," 17 you mean Taral, correct?</p> <p>18 A. Yes. Allan Cohen.</p> <p>19 Q. And let me ask you to read all of 20 paragraph 1, which begins at the bottom of the 21 first page of the agreement and continues on to 22 the top of the second page, and then I'm going to</p>	<p style="text-align: right;">Page 56</p> <p>1 financing partner, that there would be a NewCo 2 developed where, at that point, Bungalow could be 3 an owner of this property, whatever that means, 4 depending on what the deal was done.</p> <p>5 It didn't suggest to me the sale of this 6 to a third party; it was just, why do that right 7 now? I was fine with the distribution proceeds at 8 25 percent at this point. And should we move 9 forward, they would create a NewCo.</p> <p>10 That's the way I understood it.</p> <p>11 BY MR. SHAPIRO:</p> <p>12 Q. I'm asking you specifically about the 13 part of this sentence that refers to solicitation 14 of interest from a third party to acquire the 15 rights.</p> <p>16 Do you see that?</p> <p>17 A. Yeah.</p> <p>18 Q. And that suggests that one of the 19 possibilities under this agreement is that SJM and 20 Taral and Bungalow would sell their interest in 21 the property, correct?</p> <p>22 MR. MAGLIERI: Objection.</p>
<p style="text-align: right;">Page 55</p> <p>1 ask you a specific question after you've been able 2 to read all of that paragraph.</p> <p>3 A. Okay.</p> <p>4 Q. Do you see there's a sentence that says, 5 "If, during the term, Bungalow, SJM, or Taral 6 receives a solicitation of interest from a third 7 party to acquire the rights in and to the property 8 or enter into a joint development proposal that 9 SJM and Taral each considers a bona fide offer for 10 the rights, then SJM, Bungalow, and Taral, shall 11 set up a new entity (NewCo) and assign their 12 rights in and to the property to NewCo"?</p> <p>13 Do you see that?</p> <p>14 A. Yep.</p> <p>15 Q. So one of the probabilities under this 16 agreement was that SJM, Taral, and Bungalow would 17 sell the intellectual property to a third party, 18 correct?</p> <p>19 MR. MAGLIERI: Objection.</p> <p>20 THE WITNESS: I understand this -- and I 21 can take a look another look at this -- to be that 22 if we were to do a deal with either a network or a</p>	<p style="text-align: right;">Page 57</p> <p>1 THE WITNESS: Well, not necessarily 2 correct. I mean, this is a broad piece of 3 language that could be -- that this company was 4 receiving -- us -- a license fee, meaning whatever 5 that deal -- could be a broad range of deals. It 6 could be getting the rights, I suppose. It could 7 be providing the dollars to fund this NewCo. It 8 could be a deal that has any which way of a split, 9 either in terms of ownership or revenue.</p> <p>10 So it's not -- what I think you're asking 11 is selling this entire property. There was a 12 broad continuum of what a deal could look like.</p> <p>13 BY MR. SHAPIRO:</p> <p>14 Q. And one of those possibilities along that 15 continuum was selling the property, correct?</p> <p>16 MR. MAGLIERI: Objection.</p> <p>17 THE WITNESS: Yes. It's not really what 18 we were thinking. But if we went out with this 19 property and someone said, God, this was a really 20 valuable brand and I think I could do some really 21 great things with this and I'm willing to pay you 22 \$80 million for it today, I guess, living in the</p>

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40 (Pages 154 - 157)

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49 (Pages 190 - 193)

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50 (Pages 194 - 197)

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<p>1 MR. MAGLIERY: As soon as we go off the 2 record.</p> <p>3 VIDEO TECHNICIAN: We're going off the 4 record at 3:18 p.m. today. That concludes today's 5 testimony given by Mr. Robert Friedman.</p> <p>6 (Whereupon, at 3:18 p.m., the remote 7 videotaped deposition of ROBERT FRIEDMAN 8 was concluded.)</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p>	<p>Page 226</p> <p>1 John Magliery, Esquire 2 johnmagliery@dwt.com 3 January 28, 2021 4 RE: SM Kids LLC v. Google LLC, et al. 5 1/18/2021, Robert Friedman (#4396279) 6 The above-referenced transcript is available for 7 review.</p> <p>8 Within the applicable timeframe, the witness should 9 read the testimony to verify its accuracy. If there are 10 any changes, the witness should note those with the 11 reason, on the attached Errata Sheet.</p> <p>12 The witness should sign the Acknowledgment of 13 Deponent and Errata and return to the deposing attorney. 14 Copies should be sent to all counsel, and to Veritext at 15 cs-midatlantic@veritext.com</p> <p>16</p> <p>17 Return completed errata within 30 days from 18 receipt of transcript.</p> <p>19 If the witness fails to do so within the time 20 allotted, the transcript may be used as if signed.</p> <p>21</p> <p>22 Yours, 23 Veritext Legal Solutions</p> <p>24</p> <p>25</p>
	<p>Page 227</p> <p>1 C E R T I F I C A T E</p> <p>2 I do hereby certify that the aforesaid</p> <p>3 testimony was taken before me, pursuant to</p> <p>4 notice, at the time and place indicated; that</p> <p>5 said deponent was by me duly sworn to tell the</p> <p>6 truth, the whole truth, and nothing but the</p> <p>7 truth; that the testimony of said witness was</p> <p>8 taken by me in stenotypy and thereafter reduced</p> <p>9 to typewriting under my direction; that said</p> <p>10 statement is a true record of the proceedings;</p> <p>11 that I am neither counsel for, related to, nor</p> <p>12 employed by any of the parties to the action in</p> <p>13 which this statement was taken; and, further,</p> <p>14 that I am not a relative or employee of any</p> <p>15 counsel or attorney employed by the parties</p> <p>16 hereto, nor financially or otherwise interested</p> <p>17 in the outcome of this action.</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>